

real estate UPDATE

Your Greater Toronto Real Estate Newsletter

Sellers' market continues Strong September sales

It's a sellers' market in Toronto. In September, sales were up by 10.9 per cent compared to September 2013. The average selling price was \$573,676, an increase of 7.7 per cent compared to the same time last year.

In the City of Toronto, the average detached home price in September was \$951,792, up 11.5 per cent from a year ago. Semi-detached homes sold for an average of \$689,414, up an impressive 12.2 per cent from September 2013.

In the 905 regions, detached homes sold for an average of \$656,003, up 8.0 per cent, while semi-detached homes averaged \$447,485, up 10.1 per cent from last year.

The condominium market was also busy, with an average selling price of \$366,588 across the GTA. That's an increase of 7.1 per cent compared to September 2013.

"The sales results for the first two weeks of September showed strong growth for most major home types, indicating that home buyers continue to find homes that meet their needs and budgets," says Toronto Real Estate Board president Paul Etherington.

The board noted there was competition among buyers for detached homes, semis and townhouses.

"A 30 basis-point drop in mortgage rates earlier this year has delivered households an offer they can't refuse," says Diana Petramala, an economist with TD Economics. "With mortgage rates at record low levels, housing affordability has improved. Cuts to interest rates of that degree have typically boosted sales by 30 to 40 per cent over a six-month period, which suggests the momentum may continue into October."

Petramala says she's surprised by the lack of listings on the market, which has helped boost prices for the last couple of years. According to Petramala, prices may continue to rise through the fall.

But in a report, Petramala wrote that while housing activity has been "lofty," mortgage credit is growing at its slowest pace since 2001 since homeowners have taken advantage of low interest rates and are paying back mortgage principal more aggressively than they have in the past. Homeowners are also taking less equity out of their homes to pay for other things than they have in the past.

A BMO Financial Group survey found that most people have revised the amount they expected to spend on a home since they started their search.

"Housing prices in Canada have risen 18 per cent over the last four years," says Martin Nel, a BMO vice-president. "As prices rise, house-hunters need to ensure their savings are keeping pace, especially first-time buyers who don't have the leverage of a current house in the market." Housing costs should not be more than one-third of total income. *REU*

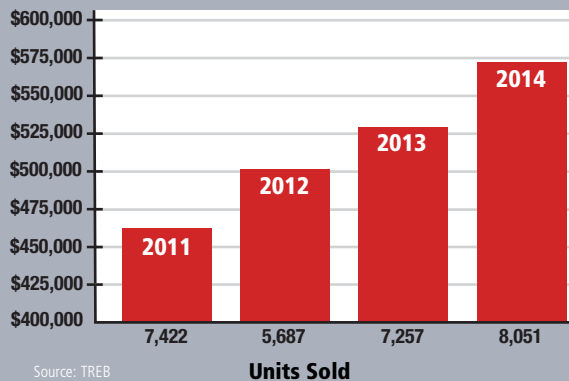
IN THIS ISSUE

2 Tax credits for seniors
Help with home renovations

2 Preventing dryer vent fires
Checking the risk

3 City condos are hot
Sales and prices rise

Average Home Prices - September
in the Greater Toronto Area



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Monthly sales

and average price
by area

September 2014

Central.....	1,409	\$739,657
East.....	1,840	455,394
North.....	1,709	645,521
West.....	3,093	528,732

August 2014

Central.....	1,260	671,600
East.....	1,761	425,484
North.....	1,573	659,435
West.....	3,006	505,363

July 2014

Central.....	1,533	\$656,226
East.....	2,058	444,098
North.....	1,944	641,569
West.....	3,663	518,203

June 2014

Central.....	1,721	726,072
East.....	2,278	451,298
North.....	2,075	645,320
West.....	4,106	546,350

May 2014

Central.....	1,816	787,515
East.....	2,549	454,005
North.....	2,318	657,169
West.....	4,396	539,758

April 2014

Central.....	1,644	767,648
East.....	2,185	449,713
North.....	2,004	640,098
West.....	3,873	537,486

March 2014

Central.....	1,325	711,051
East.....	1,843	436,411
North.....	1,734	643,200
West.....	3,179	517,423

February 2014

Central.....	1,059	708,437
East.....	1,216	424,716
North.....	1,237	629,132
West.....	2,219	507,176

January 2014

Central.....	739	669,711
East.....	918	414,833
North.....	825	614,906
West.....	1,653	480,436

December 2013

Central.....	718	640,823
East.....	878	416,447
North.....	874	605,424
West.....	1,608	477,171

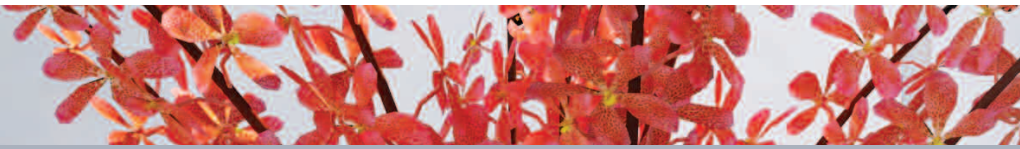
November 2013

Central.....	1,153	698,592
East.....	1,438	434,977
North.....	1,304	615,369
West.....	2,496	485,007

October 2013

Central.....	1,448	711,212
East.....	1,849	425,919
North.....	1,587	605,188
West.....	3,116	492,636

Source: TREB



Taxing matters

Tax credits for seniors **Help with home renovations**

If you are 65 or older and planning to renovate your home to make it more accessible, you may be eligible for a tax credit of up to \$10,000.

To qualify for Ontario's Healthy Homes Renovation Tax Credit, you must be 65 by the end of the year for which you are claiming the credit or living with a family member who is a senior. Income doesn't matter.

Your modifications must make the home safer or more

accessible. Some renovations that qualify include:

- walk-in bathtubs
- wheel-in showers
- widening passage doors
- lower existing counters or cupboards
- grab bars around the toilet, tub and shower
- handrails in corridors
- wheelchair ramps, lifts or elevators
- non-slip flooring in the bathroom
- swing-clear hinges on doors to widen doorways
- motion-activated lighting

The credit does not apply to plumbing or electrical work, roof repairs, installing new windows, heating or air conditioning. You also can't claim the credit for equipment such as home safety monitoring, home medical monitoring, wheelchairs, walkers, side-swing ovens, fire extinguishers, smoke alarms or carbon monoxide detectors. Services such as landscaping or housekeeping are also not eligible.

For more information, call 1-866-668-8297 or visit www.Ontario.ca/healthyhomes. *REU*



Home safety

Preventing dryer vent fires **Checking the risk**

An American report states that more than 15,000 fires are started in the U.S. every year from clothes dryers clogged with lint. And, as happened in the GTA last year, some of those fires can be fatal.

Canada Mortgage and Housing Corp. (CMHC) says dryer lint can accumulate in several places: at the outdoor hood bird screen, along the length of the duct, at duct fittings and at the dryer lint screen. Systems can also be clogged if the vent is crimped behind the dryer or if the duct is crushed or blocked prior to installation.

In some homes, the dryer has a long vent to the outside, which makes it more susceptible to blockage and fire. CMHC warns consumers to keep the vent length,

including allowances for elbows, transitions and outdoor hood assemblies, within the dryer manufacturer's recommendations.

Here are some signs that a dryer vent may be clogged:

- clothing may be unusually hot after a drying cycle,
- clothing may not be completely dry after a normal drying cycle,
- clothing may have a musty odour following the cycle,
- the high temperature heat limit switch that may deactivate the appliance if it gets too hot.

You should inspect and clean your dryer lint systems at least once a year. There are professional cleaning companies that can do this job for you. Cleaning the vent also makes the appliance operate more efficiently. *REU*



Condo update

City condos are hot Sales and prices rise

There seems to be no end in sight to the condo boom, especially in the City of Toronto. As the chart shows, prices keep rising. In September, the average selling price for a condo apartment in Toronto was \$395,505, an increase of 9.2 per cent compared to the same time last year. The average price in the 905 regions was \$300,273, up 3.5 per cent from a year ago.

Why are all these condos selling while even more are under construction? Clearly the demand is strong. With several new office buildings under construction in the city, more people are attracted to work and play downtown. About 75,000 new people arrive in the area every year and need places to live. Although it seems like many of the new buildings would take buyers away from the resale market, Toronto's construction industry is only able to complete about 19,000 units a year – not nearly enough to satisfy demand.

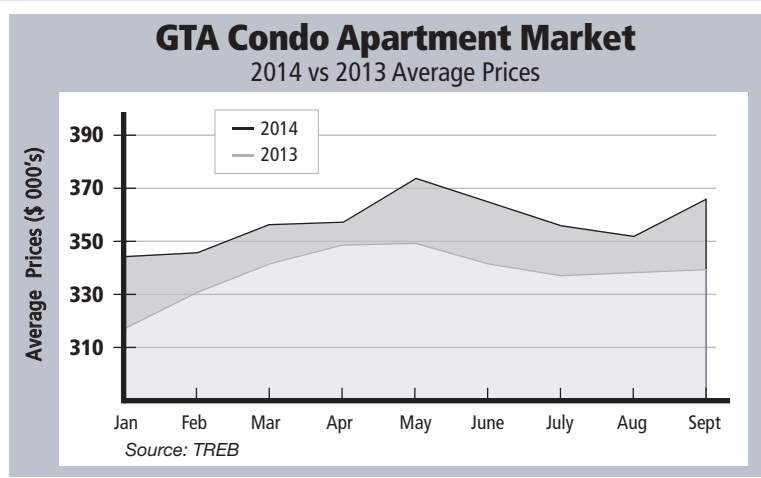
Real estate investors are also interested in buying condos to rent out as Toronto has few purpose-built rental buildings and a low vacancy rate.

Despite the rising prices, condos are still affordable. Mortgage interest rates are at rock-bottom and are unlikely to start rising until some time next year.

Demographic trends also support the condo market. Peo-

ple who live alone are the fastest-growing type of household in Canada. The never-married, separated, divorced and widowed are population categories that have all increased since the 1970s. Between 1996 and 2006, the homeownership rate for one-person households increased from 40 per cent to 48 per cent. During the same period, the overall homeownership rate went up by only 5 percentage points, to 68 per cent.

In 2006, of the 915,725 households that lived in owner-occupied condominiums, about 41 per cent were people living alone, says Canada Mortgage and Housing Corp.



“As a consequence of population aging and the increased tendency to live alone, one-person households are expected to show the fastest pace of growth to 2036, making it the single biggest type of household by the 2020s,” according to the CMHC. *REU*



On the internet

Interesting websites

roythomson.com

Roy Thomson Hall and Toronto Children's Chorus present *A Chorus Christmas Ceremonial Splendour*. Listen to well-loved seasonal favourites from the 300-member choir accompanied by piano, strings, trumpet and pipe organ.
Sat - Dec 20, 2pm

retailmenot.com

Spend less with this on-line coupon site which lets you find coupons and promo codes for just about anything.

glassdoor.ca

Helps you find a job including internships. See what employees are saying about companies, salaries and benefits, and interview questions.

heartandstroke.ca

Healthy lives free of heart disease and stroke. Making it happen together.

These sites are believed to be reliable but their accuracy cannot be guaranteed.

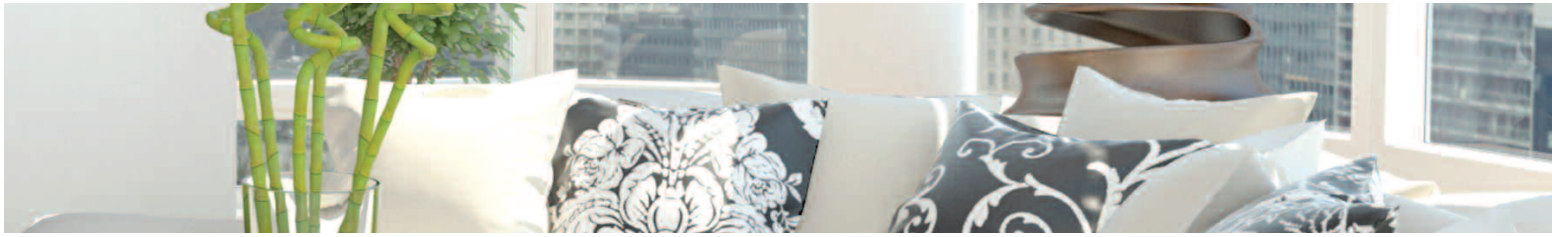
Mortgages

2014 Rates

Mortgage rates are negotiable with individual lenders. Check to be sure that you are getting today's best possible rate.

At October 6, 2014

6-month	4.00%
1-year	3.00%
2-year	3.04%
3-year	3.04%
4-year	3.09%
5-year	3.09%
Prime rate	3.00%



Dealing with cold weather power outages Tips for homeowners

Last year's major Christmas power outage in the GTA may be a distant memory, but that ordeal left 350,000 households in the dark for somewhere between one and ten days. Homeowners should see that experience as a wake-up call. Are you prepared for power outages in freezing temperatures? While the ice storm that caused the outage was an anomaly, it's still important to make sure you're prepared. Here are some tips for handling a winter power outage.

Freezing pipes

As long as the temperature in your home is above freezing, pipes should continue to operate smoothly. If the house temperature drops below freezing, you can expect issues to develop. It's best to run a bit of water at every tap, which will keep the pipes from freezing. Remember also that traps below every fixture and floor drain can also freeze. Generally, it doesn't make sense to shut off the water and drain the pipes unless the house is below freezing for an extended period of time or if the home is vacant.

If the freezing situation persists for a longer period of time, shutting off water and draining pipes may prevent flooding

damage if the pipes burst. You may find localized damage to areas where water was not drained, but in severe conditions that may be the best you can hope for. If your home runs on a hot water boiler and radiators, turning it off will probably leave water in low spots.

Adding heat

Focus on heating just one room, preferably one with little or no exterior wall surface. You will not be able to heat the whole house. Insulate the doors and windows of that room as much as possible. If you have a gas or wood-burning fireplace, they will add heat. Gas fireplaces are typically more efficient than wood fireplaces and wood stoves are much more efficient than open fireplaces.

Candles used for light or heat create the risks of both starting a fire and inhaling toxic gases such as carbon monoxide so make sure to have a battery-powered smoke alarm and carbon monoxide detector on hand.

Do NOT bring your BBQ inside as a heat source. Do NOT use your gas stove for heat. If you have a gas or propane generator, run it outdoors; NEVER indoors. The carbon monoxide gas from these devices may kill you.

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Electricity from vehicles

Power inverters can provide 120 volt power for charging phones, tablets, and other devices from your car. Some vehicles have 120 volt receptacles you can plug into directly. You can also purchase inverters that plug into cigarette lighters and convert the DC power in your vehicle to AC power for household plugs.

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GTA '14 totals

Sales activity of single-family homes

Most recent month, year to date

Active listings

September19,165
YTDN/A

New listings

September15,692
YTD129,478

Sales

September 8,051
YTD73,465

Average price

September\$573,676
YTD \$563,813

Median price

September\$475,000
YTD\$475,000

Average days on market

September25
YTD24

Average percentage of list price

September99
YTD99

Source: TREB

Housing market indicators

Single-family dwellings

Source: TREB

	Sales	New Listings
Sep '13	7,257	14,828
Sep '14	8,051	15,692
% Change	10.9%	5.8%